

# UAC INSURANCE MUTUAL

## *Board of Trustees Meeting*

Friday, February 25, 2000, 9:30 a.m.  
Utah Association of Counties Building

*A G E N D A*

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9:30	Call to Order	Gary Herbert
	Review of Board Members Absent	Gary Herbert
	Approval of January Minutes	Gary Herbert
	Reorganization of UACIM Audit Committee	Sarah Ann Skanchy
	Signature Cards	Gary Herbert
	Conflicts of Interest Affirmation and Disclosure Statements	Gary Herbert
	Building Agreement	Brent Gardner
	Mid-Year Exposure Policy Statement	Brett Rich
	Debenture Repayment	Brett Rich
	2000 General Budget Amendments	Brett Rich
	Ride-a-Longs in Public Safety Vehicles	Brett Rich
	Director's Report	Brett Rich
	Broker Report	Jim Mochel
	Daggett County Insurance Proposal	Brett Rich
11:30	Lunch Break	
	Set Agenda for April Membership Meeting	
	Summary of Financial Statements	Brett Rich
	1999 Actuarial Opinion	Brett Rich
	Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation	
	Action on Litigation Matters	Kent Sundberg
	Set Date and Time for Closed Meeting to Discuss the Character, Professional Competence, or Physical or Mental Health of an Individual	
1:30	Adjourn	



## **UACIM BOARD OF TRUSTEES MEETING MINUTES**

February 25, 2000, 9:30 a.m.  
Utah Association of Counties Building

### **BOARD MEMBERS PRESENT**

Gary Herbert, *President*, Utah County Commissioner  
Dan McConkie, *Vice President*, Davis County Commissioner  
Sarah Ann Skanchy, *Secretary-Treasurer*, Cache County Council Member  
Ken Bischoff, Weber County Commissioner  
Chad Johnson, Beaver County Commissioner  
Ty Lewis, San Juan County Commissioner  
Royal Norman, Box Elder County Commissioner  
Tex Olsen, Sevier County Commissioner  
Kent Petersen, Emery County Commissioner  
Kent Sundberg, Utah County Deputy Attorney

### **BOARD MEMBERS ABSENT**

Ed Phillips, Millard County Sheriff

### **OTHERS PRESENT**

Brent Gardner, UAC Executive Director  
Brett Rich, Director, UACIM  
Sonya White, UACIM Administrative Assistant  
Jim Mochel, GRMS Account Executive

### **CALL to ORDER**

Gary Herbert called the meeting to order and welcomed those in attendance.

### **REVIEW of BOARD MEMBERS ABSENT**

Sheriff Ed Phillips requested to be excused from this meeting—he had been called out on a law enforcement matter. Dan McConkie made a motion to excuse Ed from this meeting. Kent Petersen seconded the motion, which passed unanimously.

### **APPROVAL of MINUTES**

The minutes of the Board of Trustees meeting held January 28, 2000 were previously sent to the Board Members for review. Dan McConkie made a motion to approve the minutes as written. Ken Bischoff seconded the motion, which passed unanimously.

### **REORGANIZATION of UACIM AUDIT COMMITTEE**

Jerry Hess (chair), Sarah Ann Skanchy and Tex Olsen constitute the UACIM Audit Committee. Now that Jerry Hess is no longer a member of the Board, Dan McConkie made a motion appointing Kent Sundberg to the Audit Committee. Royal Norman seconded the motion, which passed unanimously. Sarah Ann Skanchy made a motion appointing Tex Olsen as chair of the Audit Committee. Dan McConkie seconded the motion, which passed unanimously.

### **SIGNATURE CARDS**

Signers listed on the UACIM expense account are Gary Herbert, Jerry Hess and Brent Gardner. Now that Jerry Hess is no longer a member of the Board, Kent Petersen made a motion approving a new Account Signature Card for First Security Bank to be signed by Gary Herbert, Dan McConkie, Sarah Ann Skanchy and Brent Gardner. Dan McConkie seconded the motion, which passed unanimously. Two signatures are required on all expense checks issued.





## CONFLICT of INTEREST AFFIRMATION and DISCLOSURE STATEMENTS

Pursuant to Joint Policy Statement Conflict of Interest (6) *The Director of the Mutual and each Board Member shall complete a disclosure form provided by the Mutual at the first meeting of the Board during each fund year. That completed form shall affirm the persons awareness of this policy statement and either state that no described conflicts exist, or make all required disclosures.* Brett Rich and each member of the Board received a disclosure form for completion.

## BUILDING AGREEMENT

Brent Gardner reported that members of the Utah Association of Counties (UAC) Board of Directors and members of the UAC Insurance Mutual (UACIM) Board of Trustees met on February 10 to discuss options between UAC and UACIM relating to the UAC building. A line item for rent is included in the administration fee paid by UACIM to UAC that includes debt service, maintenance, reserve fund, etc. on the building. In this meeting it was agreed that UACIM should own a portion of the building pursuant to the percentage of contributions paid on the building. Bill Thomas Peters is drafting language to amend the Administration Agreement to be approved by the UACIM Board and the UAC Board.

## MID-YEAR EXPOSURE POLICY STATEMENT

As directed by the Board, Brett Rich drafted a resolution concerning contributions for operations of entities assumed by a member mid-term (see attachment #1). Pursuant to review and discussion, Tex Olsen made a motion to adopt the resolution with the following language:

*NOW, THEREFORE, the policy of UACIM shall be as follows: In the event that a Member county assumes the assets and the operations of a separate entity after such time as contributions for a policy year have been established, the Member shall pay to UACIM an amount equal to the latest annual contribution of the Member county, multiplied by the ratio of the assumed exposures to the exposures of the Member county at the time the latest contributions were determined by UACIM, multiplied by the portion of a year remaining until the expiration of the policy year.*

Ty Lewis seconded the motion, which passed unanimously. Chad Johnson raised the issue of coverage for properties acquired at tax sales. Brett reported that the policy provides coverage up to \$250,000 for unnamed properties. The Board directed Brett to send a letter to the members explaining this coverage and request that the members disclose the value of assets being held on tax sales. The Board also directed Brett to research the ownership of Building Authorities. Apparently, Building Authorities own several of the county jail facilities but counties have insurable interest through lease agreements. Brett will report to the Board at the next meeting.

## DEBENTURE REPAYMENT

Brett Rich reported that the Annual Statement is complete with the 1999 year ending surplus amount at \$4,044,046. During the February 26, 1999 meeting, the Board approved a plan to pay the remaining debenture debt at 50% of the additional accrued surplus during 1999. With this formula, \$463,156 would be repaid to the debenture counties this year. The State Insurance Department requires UACIM to have \$2 million in surplus. The Board discussed the advisability of paying all remaining debenture balances, considering the interest expense to the Mutual and the original intent of the agreements. Kent Sundberg made a motion directing Brett Rich to request that the Insurance Commissioner approve payoff of the entire debenture debt (\$618,660 plus interest for 2000). Chad Johnson seconded the motion, which passed unanimously.

## 2000 GENERAL BUDGET AMENDMENTS

Brett Rich reviewed the following line items to be amended on the 2000 General Budget (see attachment #2): *Investment Income* increased to \$400,000, *Claims Management Expenses* increased to \$224,000, *Loss Adjustments for Previous Years* item added at \$0.00, *Interest Expense* increased to \$40,000 and *Payment of Debentures* item added at \$589,899. Royal Norman made a motion to amend the 2000 General Budget as presented. Chad Johnson seconded the motion, which passed unanimously.

## RIDE-a-LONGS in PUBLIC SAFETY VEHICLES

Brett Rich reported that "ride-a-longs" in public safety vehicles has become an issue with some of the members who want to know what coverage is provided and what the Board's policy is on this issue. The State Office of Education has a *Work-Based Learning Program* through private and public schools and higher education in which mandatory policies and procedures must be established. If a "ride-a-long" is a student enrolled in this school-sponsored work experience and career exploration program



then they are considered a volunteer of the sponsor for the purposes of receiving workers' compensation benefits. Brett recommended that the members establish similar policies and procedures for observers who are not students and require an indemnification agreement. The Board directed Brett to draft a resolution/joint policy statement regarding "ride-a-longs" in public safety vehicles for review at the next meeting.

#### **DIRECTOR'S REPORT**

**SB 35 GOVERNMENT IMMUNITY AMENDMENTS** Brett Rich gave the Board an update as to the status of the proposed Governmental Immunity legislation. The final draft includes increasing the cap to \$500,000/\$1,000,000, changing the four-year statute of limitations for federal claims to two-years and a shorter tail for injuries to minors. The proposed increase in the optional tort levy has been removed from the draft because allegedly only two counties have ever imposed the levy. The UAC Legislative Committee is working to include the increased tort levy back in the language.

**LAW ENFORCEMENT COMMITTEE** Brett reported that the Law Enforcement Committee met on February 22 and discussed the need for coverage of intentional acts arising from the duty to protect the public. The agreed that coverage should be for a catastrophic loss which would carry a high deductible. Brett is going to research this possible endorsement to the coverage agreement and report to the Board at the next meeting.

#### **BROKER'S REPORT**

**RELIANCE FINANCIAL POSITION UPDATE** Jim Mochel reported that there is no change in the financial status of Reliance. The Company is still rated at an A- and continues to be on Gallagher's watch list.

**SPECIAL DISTRICT PROGRAM** Jim reported that the brokers are continuing their negotiations with the reinsurance carrier to provide coverage for special districts. Details are being worked out to cover special districts not as members but as sponsored under a member county. A proposal will be presented to the Board for review when negotiations are final.

#### **DAGGETT COUNTY INSURANCE PROPOSAL**

Brett Rich reported that Daggett County has requested a quote for UACIM membership. Over the past few years, Brett has had several inquiries from the Commission about membership. Brett attended a Commission meeting and requested that the County provide him with a completed exposure questionnaire, property schedule and loss history. The County has now provided the exposure information and is in the process of obtaining a written loss history. Brett recommended that the Board authorize a membership proposal for Daggett County. Royal Norman made a motion authorizing Brett to provide Daggett County with a proposal for membership pursuant to the adopted premium contribution formula without any adjustments. Ken Bischoff seconded the motion, which passed unanimously.

#### **SET AGENDA for APRIL MEMBERSHIP MEETING**

As directed by the Board at the December 3, 1999 Trustees meeting, Sonya White has scheduled training for the UACIM Insurance Coordinators on April 12 from 2:00-5:00 to be held in conjunction with the UAC Management Conference at the Provo Marriott. The UACIM Membership Meeting will be held on April 12 from 5:00-6:00. Dinner will be served during the meeting. Brett Rich will prepare a tentative agenda for the Board to review at the next meeting.

#### **SUMMARY of FINANCIAL STATEMENTS**

Brett Rich reviewed the December Financial Statements with the Board. Page three shows a decrease of \$66,618 in the admitted assets from the November statements. Total surplus increased from November to December by \$21,880 for a total of \$3,696,589. Prior years do affect the surplus in the Annual Statement. The result of the recent Actuarial Analysis is that surplus is higher in the Annual Statement than in the December Financial Statements. Each member of the Board received an unsigned copy of the Annual Statement (Yellow Blank). The signed copies will be filed by March 1 to the Insurance Department and NAIC. Investment income on page four of the December Financial Statements went up from November to December \$38,562 for a total of \$441,615. Pursuant to statute, interest expense on the debentures reduces net income. Therefore, the net income figure for December is down \$59,464 for a total of \$363,691. On page ten the non-admitted assets decreased from November to December by \$81,344 for a total of \$2000, which is a refundable deposit for the tenant user liability insurance program.



#### 1999 ACTUARIAL OPINION

Brett Rich reported that pursuant to statute, the contracted actuary, Glen Taylor of Taylor-Walker & Associates, is required to form an opinion on the loss and loss adjustment expense reserves, reinsurance and coverage of UACIM. In his opinion, the amounts...meet the requirements of the insurance laws of Utah, are computed in accordance with accepted loss reserving standards and principles and make a reasonable provision for all unpaid loss and loss expense obligations of the company under the terms of its policies and agreements. Each Board Member received a copy of the Statement of Actuarial Opinion.

#### SET DATE and TIME for CLOSED MEETING

Kent Sundberg made a motion to set the date and time for a closed meeting to begin at 12:50 p.m. on February 25, 2000, to discuss pending or reasonably imminent litigation. Sarah Ann Skanchy seconded the motion, which passed unanimously.

Kent Petersen made a motion to conclude the closed meeting at 1:15 p.m. February 25, 2000. Chad Johnson seconded the motion, which passed unanimously.

#### ACTION on LITIGATION MATTERS

No actions or authorizations were made regarding litigation matters.

#### OTHER BUSINESS

The next meeting of the Board of Trustees will be held on Thursday, March 30, 2000 at 10:30 a.m. at the Utah Association of Counties building.

Approved on March 30, 2000



Sarah Ann Skanchy, UACIM Secretary-Treasurer  
Cache County Council Member



**A RESOLUTION OF UTAH ASSOCIATION OF COUNTIES INSURANCE  
MUTUAL ADOPTING A POLICY CONCERNING CONTRIBUTIONS FOR  
OPERATIONS OF ENTITIES ASSUMED BY A MEMBER MID-TERM**

WHEREAS, Utah Association of Counties Insurance Mutual (UACIM) provides certain property and liability coverages to Member counties, and

WHEREAS, on occasion, a Member may assume responsibility for the operations of a separate entity after contributions for a policy year have been determined, and

WHEREAS, the assumption of those additional operations creates additional exposures for the Member and UACIM, and

WHEREAS, the UACIM Board of Trustees deems it appropriate to adopt a policy concerning contributions for additional operations assumed by a Member mid-term.

NOW, THEREFORE, the policy of UACIM shall be as follows:

In the event that a Member county assumes either the assets or the operations, or both, of a separate entity after such time as contributions for a policy year have been established, the Member shall either:

- 1) maintain separate insurance for the property and operations assumed from the entity until the expiration of the term for which contributions have already been determined; or
- 2) pay to UACIM an amount equal to the latest annual contribution of the Member county, multiplied by the ratio of the assumed exposures to the exposures of the Member county at the time the latest contributions were determined by UACIM, multiplied by the portion of a year remaining until the expiration of the policy year.





# UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL

## 2000 GENERAL BUDGET

	1998 Budget	1998 Actual	1999 Budget	1999 Actual	2000 Budget
<b>REVENUE</b>					
Premiums Written	2,854,000	2,984,526	3,045,067	3,051,642	3,090,000
Unearned Premiums	0	0	0	0	0
Premiums Earned	2,854,000	2,984,526	3,045,067	3,051,642	3,090,000
Investment Income	215,000	406,049	275,000	441,615	400,000
Miscellaneous Income		2,000		15	
<b>TOTAL REVENUE</b>	<b>3,069,000</b>	<b>3,392,575</b>	<b>3,320,067</b>	<b>3,493,272</b>	<b>3,490,000</b>
<b>LOSSES AND LOSS EXPENSES</b>					
Losses	1,475,000	1,558,000	1,550,000	1,530,000	1,580,000
Claims Management Expenses	229,000	229,000	253,050	256,993	224,000
Reinsurance	576,000	631,241	631,828	578,391	623,875
Loss Adjustments for Previous Years				0	0
<b>TOTAL LOSS EXPENSES</b>	<b>2,280,000</b>	<b>2,418,241</b>	<b>2,434,878</b>	<b>2,365,384</b>	<b>2,427,875</b>
<b>ADMINISTRATION EXPENSES</b>					
Broker Fees	105,000	105,000	105,000	105,000	105,000
Administration Fees	280,000	280,000	358,610	358,610	447,686
Professional Fees	50,000	38,164	50,000	37,013	50,000
Interest Expense	59,000	0	0	269,899	40,000
Other Expenses	13,000	20,959	7,500	4,143	8,000
<b>TOTAL ADMINISTRATION</b>	<b>507,000</b>	<b>439,123</b>	<b>521,110</b>	<b>774,665</b>	<b>650,686</b>
<b>TOTAL LOSSES AND EXPENSES</b>	<b>2,787,000</b>	<b>2,857,364</b>	<b>2,955,990</b>	<b>3,140,049</b>	<b>3,078,561</b>
<b>NET INCOME</b>	<b>282,000</b>	<b>535,211</b>	<b>364,077</b>	<b>353,223</b>	<b>411,439</b>
<b>PAYMENT OF DEBENTURES</b>				<b>30,101</b>	<b>313,156</b>

# UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL

## 2000 GENERAL BUDGET

REVENUE					
	1998 Budget	1998 Actual	1999 Budget	1999 Actual	2000 Budget
Premiums Written	2,854,000	2,984,526	3,045,067	3,051,642	3,090,000
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TOTAL REVENUE	3,069,000	3,392,575	3,320,067	3,493,272	3,490,000
LOSSES AND LOSS EXPENSES					
Losses	1,475,000	1,558,000	1,550,000	1,530,000	1,580,000
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Broker Fees	105,000	105,000	105,000	105,000	105,000
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TOTAL ADMINISTRATION	507,000	439,123	521,110	774,665	650,686
TOTAL LOSSES AND EXPENSES	2,787,000	2,857,364	2,955,990	3,140,049	3,078,561
NET INCOME	282,000	535,211	364,077	353,223	411,439
PAYMENT OF DEBENTURES				30,101	463,156

# EXPLANATION OF DOCUMENTS

## DOCUMENT A

Senate Bill 28 Enrolled- Defining Act and provisions of the Act

## DOCUMENT B

USOE Rules

R277-915-3 Reflects SB 28 Mandatory District Policy  
- *Direct reference to the request that individual school district establish a policy of procedures and criteria*

## DOCUMENT C

Sample of District Policy and Procedures- *referenced to and requested in R277-915-3*

## DOCUMENT D

Sample form developed- *Only if it is referred to in District Policy and Procedures*

Post-it® Fax Note	7671	Date	2/23/00	# of pages	▶
To	Dorine White		From	Joe Hartsough	
Co./Dept.	WAC		Co.	USOE	
Phone #			Phone #		
Fax #			Fax #		

# DOCUMENT

# A

## S.B. 28 Enrolled

### WORK-BASED LEARNING PROGRAMS FOR INTERNS 1996 GENERAL SESSION STATE OF UTAH

Sponsor: Lyle W. Hillyard

Scott N. Howell

Joseph L. Hull

David H. Steele

Robert C. Steiner

Howard A. Stephenson

David L. Watson

AN ACT RELATING TO EDUCATION; PROVIDING FOR WORK-BASED LEARNING PROGRAMS FOR INTERNS THROUGH PUBLIC AND PRIVATE SCHOOLS AND INSTITUTIONS OF HIGHER EDUCATION; PROVIDING DEFINITIONS; PROVIDING THAT WORKERS' COMPENSATION MEDICAL BENEFITS SHALL BE THE EXCLUSIVE REMEDY AGAINST AN EMPLOYER AND SCHOOL INVOLVED IN THE PROGRAM FOR INJURIES OR OCCUPATIONAL DISEASES; PROVIDING FOR CRIMINAL BACKGROUND CHECKS IN SPECIFIC SITUATIONS; AND PROVIDING FOR RECOGNITION OF COOPERATING EMPLOYERS.

This act affects sections of Utah Code Annotated 1953 as follows:

#### ENACTS:

53A-28-101, Utah Code Annotated 1953

53A-28-102, Utah Code Annotated 1953

53A-28-103, Utah Code Annotated 1953

53A-28-104, Utah Code Annotated 1953

53A-28-105, Utah Code Annotated 1953

53B-16-401, Utah Code Annotated 1953

53B-16-402, Utah Code Annotated 1953

53B-16-403, Utah Code Annotated 1953

53B-16-404, Utah Code Annotated 1953

53B-16-405, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section 53A-28-101 is enacted to read:

#### CHAPTER 28. INTERNSHIPS

##### 53A-28-101. Definitions.

As used in this chapter:

- (1) "Cooperating employer" means a public or private entity which, as part of a work experience and career exploration program offered through a school, provides interns with training and work experience in activities related to the entity's ongoing business activities.
- (2) "Intern" means a student enrolled in a school-sponsored work experience and career exploration program under Section 53A-28-102 involving both classroom instruction and work experience with a cooperating employer, for which the student receives no compensation.
- (3) "Internship" means the work experience segment of an intern's school-sponsored work experience and career exploration program, performed under the direct supervision of a cooperating employer.
- (4) "Private school" means a school serving any of grades 7 through 12 which is not part of the public education system.
- (5) "Public school" means:

- (a) a public school district;
- (b) an applied technology center or applied technology service region;
- (c) the Schools for the Deaf and the Blind; or
- (d) other components of the public education system authorized by the State Board of Education to offer internships.

Section 2. Section 53A-28-102 is enacted to read:

**53A-28-102. Public or private school internships.**

A public or private school may offer internships in connection with work experience and career exploration programs operated in accordance with the rules of the State Board of Education.

Section 3. Section 53A-28-103 is enacted to read:

**53A-28-103. Interns – Workers' compensation medical benefits.**

(1) An intern participating in an internship under Section 53A-28-102 is considered to be a volunteer government worker of the sponsoring public school, or an employee of the sponsoring private school, solely for purposes of receiving workers' compensation medical benefits.

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(2) Receipt of medical benefits under Subsection (1) shall be the exclusive remedy against the school and the cooperating employer for all injuries and occupational diseases as provided under Title 35, Chapters 1 and 2.

Section 4. Section 53A-28-104 is enacted to read:

**53A-28-104. Internship programs – Criminal background checks.**

Officers and employees of a cooperating employer who will be given significant unsupervised access to a student in connection with the student's activities as an intern shall be considered to be volunteer school workers solely for purposes of criminal background checks under Section 53A-3-410.

Section 5. Section 53A-28-105 is enacted to read:

**53A-28-105. Recognition of participation in internship program.**

A cooperating employer may be given appropriate recognition by a school, including the posting of the employer's name and a short description of the employer's business in an appropriate location on school property, or publication of that information in official publications of the school or school district.

Section 6. Section 53B-16-401 is enacted to read:

**Part 4. Internships**

**53B-16-401. Definitions.**

As used in this part:

(1) "Cooperating employer" means a public or private entity which, as part of a work experience and career exploration program offered through an institution of higher education, provides interns with training and work experience in activities related to the entity's ongoing business activities.

(2) "Institution of higher education" means any component of the state system of higher education as defined under Section 53B-1-102 which is authorized by the State Board of Regents to offer internship programs, and any private institution of higher education which offers internship programs under this part.

(3) "Intern" means a student enrolled in a work experience and career exploration program

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under Section 53B-16-402 which is sponsored by an institution of higher education, involving both classroom instruction and work experience with a cooperating employer, for which the student receives no compensation.

(4) "Internship" means the work experience segment of an intern's work experience and career exploration program sponsored by an institution of higher education, performed under the direct supervision of a cooperating employer.

Section 7. Section 53B-16-402 is enacted to read:



**53B-16-402. Higher education internships.**

*An institution of higher education may offer internships in connection with work experience and career exploration programs operated in accordance with rules of the State Board of Regents.*

Section 8. Section 53B-16-403 is enacted to read:

**53B-16-403. Interns – Workers' compensation medical benefits.**

*(1) An intern participating in an internship under Section 53B-16-402 is considered to be a volunteer worker of the sponsoring institution of higher education solely for purposes of receiving workers' compensation medical benefits.*

*(2) Receipt of medical benefits under Subsection (1) shall be the exclusive remedy against the institution and the cooperating employer for all injuries and occupational diseases as provided under Title 35, Chapters 1 and 2.*

Section 9. Section 53B-16-404 is enacted to read:

**53B-16-404. Internship programs – Criminal background checks.**

*An institution of higher education shall require an officer or employee of the institution or a cooperating employer, who will be given significant unsupervised access to a minor student in connection with the student's activities as an intern, to submit to a criminal background check on the same basis as volunteer school district workers under Section 53A-3-410.*

Section 10. Section 53B-16-405 is enacted to read:

**53B-16-405. Recognition of participation in internship program.**

*A cooperating employer may be given appropriate recognition by an institution of higher education, including the posting of the employer's name and a short description of the employer's*

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*business in an appropriate location on the institution's property, or publication of that information in official publications of the institution.*

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[Back to the Bills Directory]

# DOCUMENT

# B



**R277. Education, Administration.**

**R277-915. Work-based Learning Programs for Interns.**

**R277-915-1. Definitions.**

- A. "Board" means Utah State Board of Education.
- B. "Intern" means a student enrolled in a school-sponsored work experience and career exploration program under Section 53A-29-102 involving both classroom instruction and work experience with a cooperating employer, for which the student receives no compensation.
- C. "Work site" or "workplace" means the actual location where employment occurs for particular occupation(s), or an environment that simulates all aspects/elements of that employment, for instance school-based enterprises.
- D. "Work-based learning" means activities that involve actual work experience or connect classroom learning to work.
- E. "School-based enterprise" means businesses set up and run by supervised students learning to apply "practical" skills in the production of goods or services for sale or use by others.

**R277-915-2. Authority and Purpose.**

A. This rule is authorized by Utah Constitution Article X, Section 3 which vests general control and supervision of public education in the Board; by Section 53A-29-102 which provides that the Board shall provide rules to schools wishing to offer and operate internships in connection with work experience and career exploration programs; and Section 53A-1-401(3) which allows the Board to adopt rules in accordance with its responsibilities.

B. The purpose of this rule is to provide direction to school districts as they provide work-based learning programs and to establish criteria to be included in those policies.

**R277-915-3. Mandatory District Policy.**

A. Each school district that has work-based learning programs that include assigning students to act as interns at off-campus sites or on-campus simulations shall establish a policy which provides procedures and criteria for at least the following issues:

- (1) training for student interns, student intern supervisors, and cooperating employers regarding health hazards and safety procedures in the workplace;
- (2) standards and procedures for approval of off-campus work sites;
- (3) transportation options for students to and from the work site;
- (4) appropriate supervision by employers at the work site;
- (5) adequate insurance coverage provided either by the student, the program or the school district;
- (6) appropriate supervision and evaluation of the student by the local education agency; and
- (7) appropriate involvement and approval by the student's parents in the work-based intern program.

**R277-915-4. Consistency with Law and State and Local Board Rules and Policies.**

A. The work-based intern experience shall be consistent with the provisions of the Fair Labor Standards Act, Part 520, 29 C.F.R. and Administrative Letter Rulings: Department of Labor, Wage and Hour Division, pages 226 and 228, July 1996, hereby incorporated by reference.

B. Work-based intern programs shall operate consistently with Board rules and district policies including student transportation, credit toward graduation, attendance, and fee waivers.

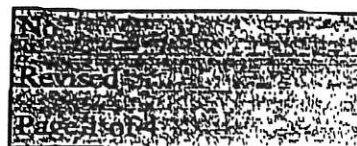
**KEY: public schools, intern program\***  
1996

**Art X Sec 3  
53A-29-102  
53A-1-401(3)**

# DOCUMENT

# C

# Sample District Policy and Procedures



Subject: Work-Based Learning Programs for Students  
Index:

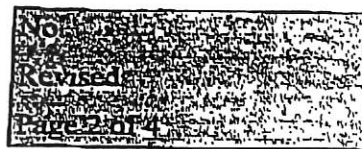
## 1. Purpose

- 1.1 To implement State Board of Education rules which direct the Board of Education to implement a policy regarding work-based learning programs for interns. The rule is authorized under Article X, Section 3 which vests general control and supervision of public education in the Board.
- 1.2 To provide direction to schools as they provide work-based learning programs and to establish criteria.

## 2. Definition of Terms

- 2.1 "Careful supervision" is defined as providing training safeguards and supervision.
- 2.2 "Cooperative education" means a structured method of instruction whereby students coordinate their high school studies with a job in a field related to their academic or occupational objectives. This is a paid experience.
- 2.3 "Internship" means situations where students work for an employer for a specified period of time to learn about a particular industry or occupation. Workplace activities may include special projects, a sample of tasks from different jobs, or tasks from a single occupation. Internships may or may not include financial compensation.
- 2.4 "Job shadowing" means an opportunity for a student to follow an employee at a firm for part(s) of one or more days to learn about a particular occupation or industry. It is recommended for late middle and early high school students as part of career exploration activities. It may be implemented in context with a particular course of study. Normally, this is an unpaid experience.
- 2.5 "School-based enterprise" means businesses set up and run by supervised students learning to apply "practical" skills in the production of goods or services for sale or use by others.
- 2.6 "Service-based learning" means a method of instruction which combines community service with a structured school-based opportunity emphasizing the connections between service experiences and academic learning.
- 2.7 "Student Education Occupation Plan (SEOP)" means a primary strategy for recognizing student accomplishments and strengths and for planning, monitoring, and managing education and career development in grades 7-12. This is achieved through an on-going partnership involving students, parents, school counselors, and other school personnel.

# Sample District Policy and Procedures



2.8 "Work site" or "workplace" means the actual location where employment occurs for particular occupation(s), or an environment that simulates all aspects/elements of that employment, for instance school-based enterprises.

2.9 "Work-based learning" means activities that involve actual work experience or connect classroom learning to work.

## 3. Policy

Under the direction of the superintendent, school principals are authorized to administer this policy in their respective schools. This document will focus on the work-based learning component of School-to-Careers to further define and outline approved procedures. Work-based learning opportunities include but may not be limited to: Job Shadowing, Internship, Cooperative Education, Service-based Learning, and School-based Enterprise.

### 3.1 Student Eligibility

3.1.1 A Student Education Occupation Plan (SEOP) will be used as a qualifying indicator for students to participate in a work-based learning experience. The SEOP will indicate student interest in a specific field of study which will be matched with cooperating employers to provide work-site experiences for students.

### 3.2 Student Records

3.2.1 The following documents must be completed and on file at the school:

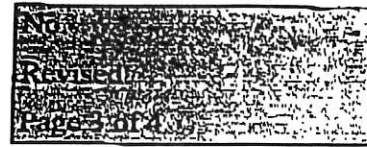
- SEOP
- Student Application
- Work Site Assessment/Evaluation
- Training Agreement between student, parent(s), employer, and education agency
- Student Work Record
- Student Evaluation

3.3 Training for students, student supervisors, and cooperating employers regarding health hazards and safety procedures in the workplace.

3.3.1 Students will be informed of safety and health hazards in the workplace prior to the student leaving the school. Students will not be placed in training sites, except under "careful supervision".

3.3.2 Employers will assure a safe work environment and will discuss all safety issues or concerns with the education supervisor during a

# Sample District Policy and Procedures



review of the work site and prior to the student work-based learning experience.

3.3.3 Employers will be required to attend training relevant to the work-based learning experience which will be provided through the region.

3.4 Standards and procedures for approval of off-campus work sites:

3.4.1 Work-site experiences may be provided through a cooperating employer in the public sector, private sector, through service learning or school-based enterprises.

3.4.2 Work-based learning may be paid or unpaid. Unpaid experiences will follow guidelines outlined in the document, "Child Labor Requirements in Nonagricultural Occupations under the Fair Labor Standards Act, US Department of Labor, WH-1330, revised August 1990". According to the guidelines, an unpaid experience may not: (a.) displace a regular employee, (b.) fill a vacancy that would normally be filled by a new hire, (c.) be given exclusive duties that would normally be assigned to a regular employee, nor (d.) perform services that clearly bring profit to the business.

3.4.3 Employers will assume responsibility for meaningful training.

3.4.4 Refer to 3.3.2

3.4.5 Refer to 3.3.3

3.5 Transportation options for students to and from the work site.

3.5.1 The determination of the method of transporting students to and from the work site is the parents responsibility.

3.6 Appropriate supervision by employers at the work site. The Cooperating Employer/Supervisor will:

3.6.1 provide "careful supervision" at the work site for student training,

3.6.2 assume responsibility for meaningful training,

3.6.3 communicate on a regular basis with the education supervisor,

3.6.4 consult the program coordinator/teacher regarding problems related to the work experience, and contact promptly before considering suspension, transfer, or termination,

3.6.5 record attendance and performance of the student trainee,

3.6.6 meet with school personnel to provide evaluation of trainee's work,

3.6.7 conform to State and Federal Labor Laws,

# Sample District Policy and Procedures



- 3.6.8 have worker's compensation under which trainee is covered (if paid experience).
- 3.7 Adequate insurance coverage provided either by the student, the program or the school district.
  - 3.7.1 For paid work employment, health and accident coverage is covered by the employers' workman's compensation.
  - 3.7.2 For unpaid work experiences, health and accident coverage is covered by the local educational agencies' workman's compensation as specified in SB28.
- 3.8 Appropriate supervision and evaluation of the student by the local education agency. The education supervisor will:
  - 3.8.1 approve the cooperating employer work site and training,
  - 3.8.2 inform students of safety and health hazards in the workplace prior to the student leaving the school.
  - 3.8.3 assure "careful supervision" of the student at the training site,
  - 3.8.4 coordinate with the employer on student training and evaluation.
- 3.9 Appropriate involvement and approval by the student's parents in the work-based learning program. The parent/guardian will:
  - 3.9.1 partner with the school, school counselor, school personnel, student, by participating in the SEOP process,
  - 3.9.2 support the student's participation in the work-based learning program,
  - 3.9.3 determine the method of transporting students to and from the work site.

# DOCUMENT

# D

**SCHOOL-TO-CAREERS  
WORK-BASED LEARNING PROGRAM**

**STUDENT EVALUATION FORM (Sample)**

Date \_\_\_\_\_ Employer \_\_\_\_\_ Work Site Supervisor \_\_\_\_\_

Student's Name \_\_\_\_\_

This is a learning experience for the student. We want him/her to learn and understand how to be successful in the workforce. Please be completely honest in your evaluations so that we can work to correct any problems. Thanks for your help!!

School Advisor \_\_\_\_\_

Below average — Average — Excellent

OBSERVATION CRITERIA	0	1	2	3	4	PERFORMANCE RATINGS
1. Personal Performance						Dresses professionally to meet standards of the workplace.
2. Initiative						Works independently, initiates tasks with minimum supervision.
3. Attendance & Punctuality						Adheres to employer's code of attendance and punctuality.
4. Dependability & Organization						Exhibits quality of trust and consistency, and is able to manage time and resources with minimum supervision.
5. Interpersonal Relationships						Good team worker, always helpful, gets along with coworkers and supervisors.
6. Job Knowledge						Understands job and/or related jobs.
7. Judgment						Sound judgments/decisions always based on thorough analysis.
8. Attitude & Cooperation						Good team worker. Goes out of way to cooperate.
9. Quality of work						All work performed is accurate and thorough. Catches errors.

Please note: If the student has less than average performance, we will have a conference with the student and the school coordinator for the purpose of teaching and correcting any problems.



**SCHOOL-TO-CAREERS  
WORK-BASED LEARNING PROGRAM**

**STUDENT WORK RECORD (Sample)**

Reporting Period/Dates \_\_\_\_\_

Trainee's Name \_\_\_\_\_

Place of Employment \_\_\_\_\_

Employer's Name \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

Supervisor's Name \_\_\_\_\_

**Days and Hours Worked for the Month of**

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Weekly Total Hrs.

(Mark number of hours worked each day)

Total for reporting period \_\_\_\_\_ Rate paid per hour \_\_\_\_\_

Total earnings for reporting period \_\_\_\_\_ Employee Signature \_\_\_\_\_

Employer's Signature \_\_\_\_\_

**SCHOOL-TO-CAREERS  
WORK-BASED LEARNING PROGRAM**

**TRAINING AGREEMENT FORM (Sample)**

Job Shadow \_\_\_\_ Intern \_\_\_\_ Coop \_\_\_\_

Trainee	Soc. Sec. #	Grade
Home Address	Birthdate	Age
City, State, Zip	SEOP Career Goal/Field	
Home Phone	WBL Coordinator	
WBL Periods Assigned	Related Class	

**(Employer to fill in box below)**

Employer (Company Name)	Beg. Date of Employment
Name of Cooperating Employer/Supervisor	Scheduled Hours/Days
Address Mailing Address if different	Hours per Week
City, State, Zip	Wage Per Hour (if paid experience)
Phone	

**WBL activities to be defined and agreed upon through Training Agreement Addendum.**

**Trainee will:**

- (1) strive to develop good work habits.
- (2) maintain a high level of attendance and performance at both the school and the work site.
- (3) maintain a grade of "C" or higher in the class related to your work-based experience.
- (4) submit work records to Applied Technology Coordinator on or before each due date.
- (5) consult the program coordinator, or supervising teacher, as well as the employer about any problems.
- (6) be at the work site during periods released for work-based learning experience.
- (7) If coop, work a minimum of 10 hrs/wk, or number of school hours released, whichever is greater.

\_\_\_\_\_  
Trainee's Signature

\_\_\_\_\_  
Date

**Cooperating Employer/Supervisor will:**

- (1) assume responsibility for meaningful training and a safe workplace.
- (2) consult the program coordinator/teacher regarding problems related to the work experience, and contact promptly before considering suspension, transfer, or termination.
- (3) meet with school personnel to provide evaluation of trainee's work.
- (4) conform to State and Federal labor laws.
- (5) have worker's compensation under which trainee is covered (if paid experience).
- (6) schedule the student trainee on each school day released during the periods assigned to WBL.
- (7) keep and complete accurate attendance and/or time records, as required.

\_\_\_\_\_  
Cooperating Employer/Supervisor's Signature

\_\_\_\_\_  
Date

**Parent/Guardian will:**

- (1) support the student's participation in the Work-Based Learning Program.
- (2) provide transportation if necessary.

\_\_\_\_\_  
Parent/Guardian's Signature

\_\_\_\_\_  
Date

**Coordinator will:**

- (1) insure there is related instruction, and serve as consultant to all parties concerned using the Training Agreement.
- (2) determine the amount of credit and the grade the trainee will receive.
- (3) insure that regular contact is made with the trainee's employer/supervisor.
- (4) insure that a written evaluation is obtained from the employer each term.

\_\_\_\_\_  
School Coordinator's Signature

\_\_\_\_\_  
Date

**SCHOOL-TO-CAREERS  
WORK-BASED LEARNING PROGRAM**

Applying for: Summer \_\_\_\_\_ Semester \_\_\_\_\_ Job Shadow \_\_\_\_\_ Intern \_\_\_\_\_ Coop \_\_\_\_\_

**STUDENT APPLICATION FORM (Sample)**

**PERSONAL DATA:**

Student Name \_\_\_\_\_ Application date \_\_\_\_\_  
First Last Home phone \_\_\_\_\_  
 Home Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Age \_\_\_\_\_ Birthdate \_\_\_\_\_ Parents/Guardian: Mother \_\_\_\_\_ Father \_\_\_\_\_  
 Social Security Number \_\_\_\_\_ Student Number \_\_\_\_\_ Grade 10 11 12 13 14

**CAREER INTEREST:**

Career Goal: \_\_\_\_\_  
 List the company at which you desire to work: \_\_\_\_\_  
 \_\_\_\_\_

Supervisor's Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_

List periods you are available to register for this program:

Periods \_\_\_\_\_

List the main reasons you desire to participate:

1. \_\_\_\_\_
2. \_\_\_\_\_

**RELATED CLASSES TAKEN IN HIGH SCHOOL:**

1. \_\_\_\_\_ 2. \_\_\_\_\_
3. \_\_\_\_\_ 4. \_\_\_\_\_

Currently registered in related class (Please list):

ATE: \_\_\_\_\_

SCANS: \_\_\_\_\_

What do you plan to do after graduation?

What would you like to be doing five years from now?

**PRESENT/PREVIOUS WORK EXPERIENCE. SKILLS OBTAINED FROM EACH**

Company Name	Job Title	Length of Employment	Duties/Skills Learned

List any skills you have that will help you with this internship (i.e. computer, CAD, welding, WordPerfect, cabinet making, etc.):

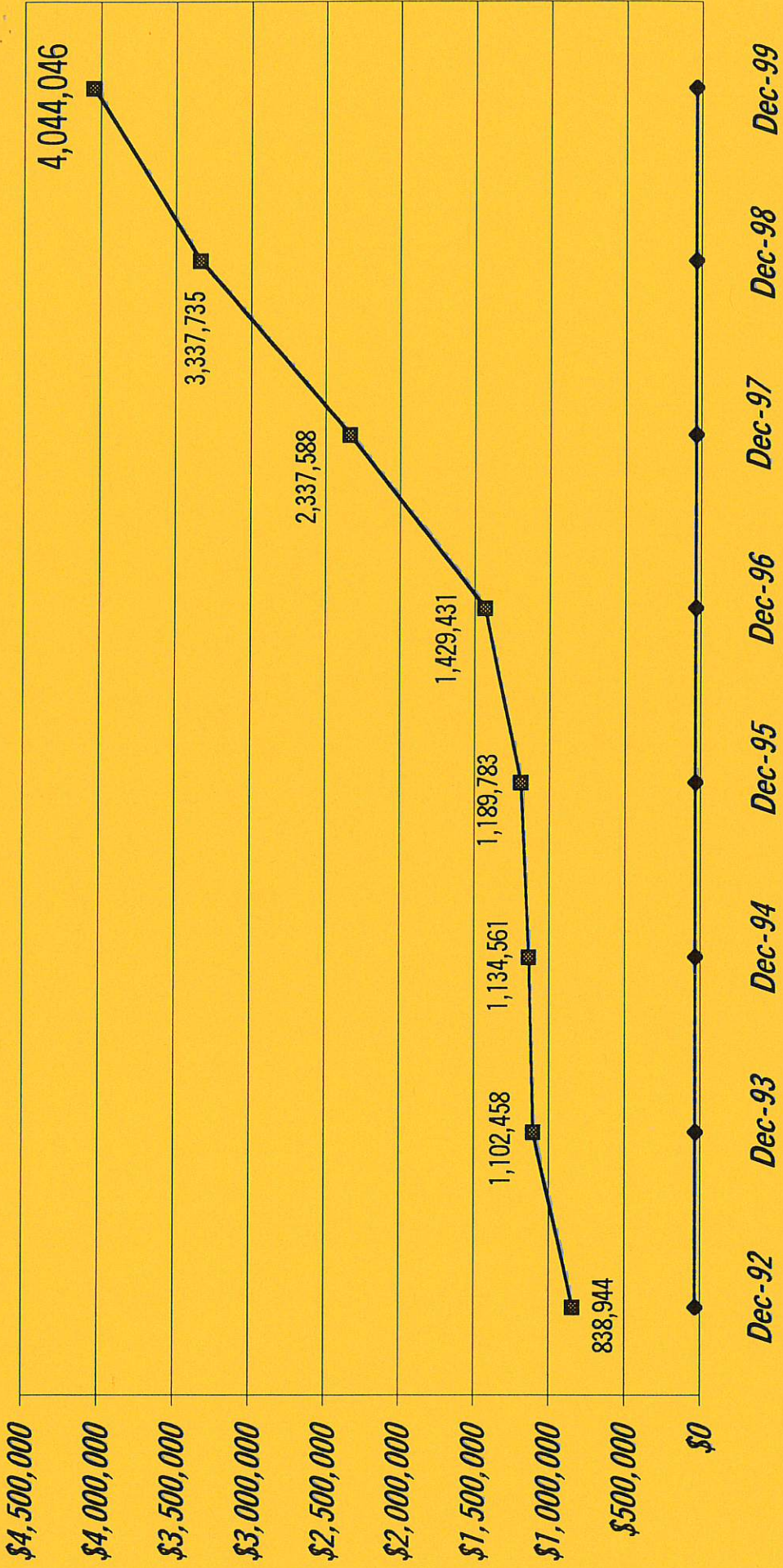
I have prepared this application accurately and completely. If I am selected for this program, I will take full advantage of every opportunity to improve my skills and efficiency in both the classroom and the world of work.

Signature of student \_\_\_\_\_ Accepted \_\_\_\_\_ Declined \_\_\_\_\_





# ANNUAL SURPLUS









*Taylor-Walker & Associates, Inc.*

**Actuarial Consulting Group**

**STATEMENT OF ACTUARIAL OPINION - Page 1 of 4**  
**UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL**

**IDENTIFICATION**

I, R. Glenn Taylor, President, am associated with the firm of Taylor-Walker and Associates, Inc. I am a Member of the American Academy of Actuaries and meet its qualification standards. I am an Associate of the Casualty Actuarial Society. I was appointed by the Company's Board of Directors on December 11, 1997 to render this opinion.

**SCOPE**

I have examined the reserves listed below, as shown in the Annual Statement of the Company as prepared for filing with state regulatory officials, as of December 31, 1999.

A. Reserve for Unpaid Losses (Page 3, Item 1);	\$ 2,179,123
B. Reserve for Unpaid Loss Adjustment Expenses (Page 3, Item 2);	\$ 1,261,178
C. Reserve for Unpaid Losses Direct and Assumed (Schedule P, Part 1, Totals from Cols. 13 and 15);	\$ 2,370,000
D. Reserve for Unpaid Loss Adjustment Expenses - Direct and Assumed (Schedule P, Part 1, Totals from Cols. 17, 19, and 21).	\$ 1,264,000
E. The extended loss and expense reserve (Schedule P Interrogatories);	\$ 0

These reserves reflect the following items:

- A. The anticipated salvage and subrogation included as a reduction to loss reserves as reported in Schedule P - Analysis of Losses and Loss Expenses, Underwriting and Investment Exhibit - Part 3A, and on Page 3 - Liabilities, Surplus and Other Funds, Line 1 is \$0.



**STATEMENT OF ACTUARIAL OPINION - Page 2 of 4**  
**UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL**

- B. The discount for time value of money included as a reduction to loss reserves and loss expense reserves as reported in Schedule P - Analysis of Losses and Loss Expenses, Underwriting and Investment Exhibit - Part 3A, and on Page 3 - Liabilities, Surplus and Other Funds, Line 1 and 2 for nontabular discount is \$0 and for tabular discount is \$0.
- C. The net reserves for losses and expenses for the Company's share of voluntary and involuntary underwriting pools' and associations' unpaid losses and expenses which are included in reserves shown on Page 3 - Liability, Surplus and Other Funds, Lines 1 and 2 are \$0.
- D. The net reserves for losses and loss adjustment expenses that the Company carries for Asbestos liabilities is \$0, and for Environmental liabilities is \$0, which are included in the reserves on Page 3 - Liabilities, Surplus, and Other Funds, Lines 1 and 2, and disclosed in the Notes to Financial Statements.
- E. The total reserves for losses and loss adjustment expenses that the Company carries for the extended loss and expense reserve is \$0, that is reported in the Schedule P Interrogatories.

In forming my opinion on the loss and loss adjustment expense reserves, I relied upon data prepared by the responsible officers or employees of the Company. I evaluated these data for reasonableness and consistency. I also reconciled these data to Schedule P - Part 1 of the Company's 1999 Annual Statement. In other respects, my examination included the use of such actuarial assumptions and methods and such tests of the calculations as I considered necessary.

ADDITIONAL TOPICS

Reinsurance

During the course of my review, I considered the reinsurance agreements in effect for the Company during the review period. Based on discussions with Company management and their description of the Company's ceded reinsurance, I am not aware of any reinsurance contract that either has been or should have been accounted for as retroactive reinsurance or financial reinsurance.

I also considered the Company's evaluation of the collectibility of ceded reinsurance amounts. Company management indicated that they have not had, nor do they anticipate, any difficulties in collecting ceded amounts from any of its reinsurers. In addition, I reviewed A.M. Best ratings for reinsurers to whom the Company has ceded business. Finally, I reviewed Schedule F of the Company's 1999 Annual Statement for indications of regulatory action or reinsurance recoverable on paid losses over 90 days

*Taylor-Walker & Associates, Inc.*



**STATEMENT OF ACTUARIAL OPINION - Page 3 of 4**  
**UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL**

past due. I did not note any significant issues as a result of this review. There would be contingent liability should any of the reinsurers fail to meet their obligations under the terms and conditions of their agreements with the Company.

Asbestos and Environmental Exposure

The Company indicated that it does not have any exposure to asbestos and environmental claims.

Discounting

The Company does not discount its loss and loss adjustment expense reserves.

Salvage and Subrogation

The Company does not recognize anticipated salvage and subrogation recoveries in its loss and loss adjustment expense reserves.

Pools and Associations

The Company indicated that it does not participate in any voluntary or involuntary pools and associations.

IRIS Ratios

Loss and loss adjustment expense reserves as shown in the Company's 1999 Annual Statement, and as certified hereto, do not result in any exceptional values for NAIC IRIS Tests #9, #10, or #11.

**OPINION**

In my opinion the amounts contained in the scope paragraph on account of the actuarial items previously identified:

- A. Meet the requirements of the insurance laws of Utah;
- B. Are computed in accordance with accepted loss reserving standards and principles;
- C. Make a reasonable provision for all unpaid loss and loss expense obligations of the Company under the terms of its policies and agreements.

*Taylor-Walker & Associates, Inc.*

**STATEMENT OF ACTUARIAL OPINION - Page 4 of 4**  
**UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL**

**RELEVANT COMMENTS**


The Company does not write any policies for which the contract term is greater than or equal to thirteen months and for which the Company can neither cancel nor increase the premium during the policy or contract term.

My review was limited to the liability items shown herein and did not include an analysis of any other balance sheet items. I have not examined the assets of the Company and I have formed no opinion as to the validity or value of these assets. My opinion on the reserves rests upon the presumption that all reserves are backed by valid assets, which have suitably scheduled maturities and/or adequate liquidity to meet the cash flow requirements of the liabilities.

In my opinion, there are not any significant types of losses or major risk factors which materially impact on the variability of the reserves on which I am opining. My estimates make no provision for the extraordinary future emergence of either new classes of losses or post-contractual expansions of policy coverage, nor for extraordinary development of reserves that may have been established specifically for these events.

Since the emergence and settlement of claims are subject to uncertainty, actual development likely will vary, perhaps significantly, from the amounts contained in the scope paragraph. No warranty is expressed or implied that this will not occur.

An actuarial report and underlying workpapers supporting the findings expressed in this statement of actuarial opinion will be provided to the Company to be retained for a period of seven years at its administrative offices and available for regulatory examination.

  
\_\_\_\_\_  
R. Glenn Taylor, A.C.A.S., M.A.A.A.  
7681 South Main Street  
Midvale, Utah 84047  
(801) 562-5748  
February 22, 2000

*Taylor-Walker & Associates, Inc.*